

Laboratory Certification Standards Review Council Meeting Minutes From 02/10/2010

Attendance

Council Members: Dave Kliber (Chair), Sue Hill (Vice-Chair), Steve Jossart (Secretary), Chris Groh, Kirsti Sorsa, Randy Thater, Judy Tholen *all except Sue Hill via LiveMeeting link*

DNR Staff: David Webb, Rick Mealy, Alfredo Sotomayor

Others in Attendance: Tom Hungerford (S-F Analytical), Paul Harris (Davy Labs) *via LiveMeeting link*, Tom Priebe (Northern Lake Service) *via LiveMeeting link*

Summary and Action Items

At this meeting the Certification Standards Review Council:

- o approved minutes of the November 11, 2009 meeting,
- o approved the fiscal 2011 budget package
- o approved the fiscal 2011 fees
- o reviewed program audit performance,
- o tentatively scheduled the Council's next meeting for Tuesday, May 4, 2010

Agenda Items

I. Check in/Agenda Repair

- A. No modifications to the agenda were required.

II. Review and Approval of Draft Minutes from 11-11-09 Meeting

- A. A motion to approve the minutes with several minor changes discussed during the meeting was unanimously approved (Thater/Hill).

III. FY2011 Budget Presentation & Accreditation Fee Adjustment

- A. Alfredo Sotomayor summarized the fiscal 2011 budget and fee adjustment as follows:
- ▶ As has been done historically, the program plans to spend significantly less (\$140K or 19%) than the DOA approved spending authority.
 - ▶ The number of available RVU for FY2011 is 10,157, representing a 3.0% decrease (311 RVU) compared to FY2010. The cost per RVU proposed for FY2011 is \$57.00, which is a \$0.50 decrease from FY2010.
 - ▶ Salary and fringes comprise 87.4% of the budget and are actually decreasing over FY2010 cost by 6.5%. This decrease is due to a vacancy from FY2010 which is expected to remain vacant through FY2011. The program intends to hire an LTE to perform some lab evaluations, but the position will be funded through program reserves. Fringe costs for FY2011 are 48.6% of salary.
 - ▶ Supplies line item (10% of total budget) decreases by 11.6%, largely due to the increased costs associated with travel (DOA vehicle charges increased last summer and have not decreased). A one-time charge of \$5,400 was assessed by DOA to maintain the fleet. Postage costs also increased by 21%.
 - ▶ Total budget (\$591,197) represents a \$45,664 reduction from last year, or a 7.2% decrease.
 - ▶ Using the NR149 fee formula, the key value is a cost per RVU of \$57.00, a 1.0% decrease from last year (\$57.50/RVU). This is due to the increased number of RVUs associated with the accreditation structure changes and new RVU assignments from NR 149 revisions.
 - ▶ The fee for a typical WWTP lab will be \$969 (vs. \$1,037); the fee for a typical commercial lab will be \$4,275 (vs. \$4,575); the maximum fee that could be charged is \$5,700 (vs. \$5,750).
 - ▶ There was a reduction in the number of labs from 414 to 401 this year.
- B. Dave Webb pointed out the budget does not include funding for the program vacancy. There is a placeholder to hire an LTE, but the program will fund the position from account balance rather than through the budget. The balance in the LabCert account is more than enough to fund an LTE. By not including a specific budget line for an LTE, there is no impact on the fees. Webb further explained that for the past couple of years the program has rolled over \$20-30K program surplus into the budget to reduce the program fees. He chose not to do that this year, opting to use the surplus to fund the LTE position instead.

- C. Webb also announced that a worst case scenario is occurring with the LabCert program. About \$62K from our appropriation (account) is being taken by the Governor's office as part of mechanisms in place to address the statewide budget deficit. Last November we were hearing that all agency appropriations were being reduced. Few, if any, were exempt. LabCert was not exempted, and our percentage share of the agency-wide budget reduction amounted to \$62K. There has been much discussion on this issue. Webb and others involved are aggressively opposed. While it's not quite cast in stone, the status as of today is that \$62K will come out of our appropriation. Webb assured council members that he is upset about it, but it's outside of his control. The reduction amounts to about 50 lost days of staff time for which labs are paying.
- D. Dave Kliber asked that the council be placed on record as being in opposition to any fee-based LabCert funds being taken by the Governor's office.
- E. Given this development, Sue Hill asked if there would still be enough money in the program account to hire an LTE. Webb indicated that sufficient balance is available; the account balance is about \$200K.
- F. Dave Kliber asked why the BTS (Bureau of Technology Services) Support charges are increasing 55% yet the overall Information and Technology line is decreasing 10%. Alfredo answered that the budget is based on the best estimate of charges. There is a possibility that the state will go into a new service, and estimates assume higher costs. The program only needs to replace one PC this year, so that line item drops quite a bit.
- G. Kliber indicated that it would be easier to see program budget status if we saw budget information quarterly. Webb replied that he would see what he could provide. Some charges are billed monthly, while other are billed only once annually—with some coming only at the end of each fiscal year. Sotomayor added that the program can provide the Council with data as it did last August, but prior to the end of a given fiscal year, numbers are in flux.
- H. Randy Thater asked for clarification regarding budgeting for the program vacancy. Dave Webb reminded the council that last year at this time, we budgeted for 6 months worth of salary in the off-chance that we could get the vacancy filled prior to December 2009.
- I. A motion to approve the budget (Thater/Groh) passed unanimously. Webb thanked the Council and indicated that he would be continuing discussions regarding the appropriation.

IV. Program Audit Status Report- for FY10 Year-to-Date

- A. Rick Mealy presented Council members with program audit statistics and backlog information.
- B. Mealy highlighted the following aspects of program performance:
 - ▶ For the Commercial/Public Health sector, while closures are well ahead of pace to achieve program goals, audits (-30%) and reports (-15%) are falling behind the pace.
 - ▶ Municipal/Industrial audit numbers are right on pace with targets; reports are just slightly behind pace. Only closures (-25%) are significantly below expected pace.
 - ▶ Only 56% of reports were issued w/in 30 days (Since 9/1/2008, for all reports issued, the program stands at 57% within 30 days).
 - ▶ The program has performed four (4) unanticipated audits due to new lab applications (and a fifth audit is scheduled for next week). In addition, one lab required a follow-up audit. These audits make it more difficult to achieve our annual targets.

FY2010 Cumulative Totals

| CENTRAL OFFICE | | | REGIONAL | | |
|----------------|-----------|-------|----------|-----------|-------|
| | Total YTD | Goals | | Total YTD | Goals |
| Audits | 14 | 35 | | 58 | 97 |
| Reports | 17 | 35 | | 51 | 97 |
| Closures | 28 | 35 | | 41 | 97 |
| Reports Due | 8 | | | 11 | |
| Open Cases | 19 | | | 63 | |

(Goals based on audit every 3 years)

FY2010 Quarterly Totals

| 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter |
|-------------|-------------|-------------|-------------|
|-------------|-------------|-------------|-------------|

CENTRAL OFFICE

| | | | | |
|----------|----|----|---|--|
| Audits | 7 | 7 | 0 | |
| Reports | 8 | 6 | 2 | |
| Closures | 17 | 10 | 1 | |

| | | | | |
|-----------------|------------|------------|------------|------------|
| | AUG | NOV | FEB | MAY |
| Pending Reports | 7 | 8 | 8 | |
| Open Cases | 23 | 21 | 19 | |

REGIONAL

| | | | | |
|----------|----|----|---|--|
| Audits | 25 | 25 | 8 | |
| Reports | 20 | 25 | 6 | |
| Closures | 21 | 14 | 6 | |

| | | | | |
|-----------------|----|----|----|--|
| Pending Reports | 8 | 9 | 11 | |
| Open Cases | 40 | 56 | 63 | |

| Total Labs by Responsibility | | 8/1/09 | 2/1/09 | 5/1/08 | 11/15/07 | 8/1/07 |
|------------------------------|-------------------|------------|------------|------------|------------|------------|
| CO | Central Office | 103 | 109 | 110 | 113 | 118 |
| RC | Regional/Central | ---- | ---- | ---- | ---- | ---- |
| NE | Northeast | 60 | 62 | 65 | 65 | 66 |
| NO | Northern | 29 | 29 | 31 | 31 | 31 |
| WC | West Central | 63 | 60 | 62 | 61 | 61 |
| SC | South Central | 71 | 74 | 75 | 75 | 75 |
| SE | Southeast | 68 | 69 | 69 | 69 | 69 |
| Total Regional | | 291 | 295 | 302 | 301 | 302 |
| Total Audit Responsibility | | 394 | 404 | 414 | 420 | 423 |
| O | Other/Reciprocity | 8 | 8 | 7 | 7 | 8 |

- C. Dave Kliber expressed some concern regarding the program's ability to meet the 30-day timeline for audit report generation. Noting that the program is only hitting the mark 56% of the time, he asked if the program and council should be setting some metric. He asked what the program's expectation is for a target compliance rate. Webb replied that the target would be closer to 100%. Kliber asked how we planned to get there. Recalling notes from February 2009, he observed that, at that time, 76% of reports were being generated on time. He also noted that we discussed a goal of greater than 90%.
- D. Tom Hungerford asked if we could look at how compliance with a 45 day turnaround time compares to that of 30 days. Paul Harris indicated that he had looked at the data. 35% of commercial lab audit reports meet the 30 day mark. He indicated that he felt that there are auditors hitting the mark 90% of the time and some hitting the mark only 10% of the time. He asked if this is a performance issue.
- E. Sue Hill wondered if an analysis of older reports might reveal what is holding them up. Dave Webb responded that it is case by case and person by person. The council asked the program to include a larger breakdown of report turnaround times for next meeting, with the 45 day mark specifically included.
- F. Randy Thater turned the discussion to open cases indicating that there are a lot of open cases sitting out there. Kirsti Sorsa asked if the code change has had an impact on the number of open cases. Dave Webb indicated that indeed it had an impact, at least initially. Rick Mealy added that the new code introduced requirements that take a great deal of time (e.g.; SOPs, Quality Manual requirements) and many labs have opted to wait and use the audit for guidance on how to satisfy the requirements.
- G. Dave Kliber suggested that perhaps it is time to use the outreach budget and get program staff on the road to highlight the changes needed and how to address them. Webb indicated that he would talk to

Mealy on this issue off-line.

- H. Tom Hungerford noted that some people lack the skills to create these documents from scratch. Paul Harris asked how much longer we were going to be patient about compliance. Webb responded that the agency wants locally produced data so we can make data-based decisions. He gave an example of a lab that is on the brink of enforcement action because the lab is making it difficult for us to audit them. Along those lines, Dave Kliber asked what our policy is when we encounter a lab doing testing without certification. Webb replied that when we discover it, enforcement action is typically initiated, the closure of which requires completion of an application for the parameter(s) and we decide whether to review past data, for which a fee can also be charged.
- I. Dave Kliber summarized the agenda item by requesting that the program do what it can to get back meeting a goal of 90% or better compliance with audit report turnaround time, and he looks forward to a better report.

V. Other Program & DNR Business

- A. Lab-of-the-Year – Webb announced that the winners of the Registered Lab-of-the-Year award are Waupaca WWTP for the small facility and the Wolf treatment Plant Lab in the large category. Both labs will be recognized at the March 16, 2010 Natural Resources Board meeting.
- B. Other NR codes – Dave Kliber asked about the status of NR140, NR 528, and NR809, all of which are in various stages of the code revision process. Kliber also asked if we would begin the process of re-opening NR149 sometime in 2010.

VI. Council Member Issues

- A. Paul Harris indicated that it was his understanding that “Open Issues” would be a standing item on Council meeting agendas. Dave Kliber responded that while initially “Open Issues” was a standing agenda item, the Council had subsequently decided to review “Open Issues” annually at the November Council meeting.
- B. Harris also asked whether commercial labs were going to be involved in the selection and criteria for Lab-of-the-Year awards. Webb responded that the program did not move on including commercial labs. He indicated that, with a recommendation to do so from the Council, he could pursue the idea further.

VII. Next Meeting Date

- A. The next Council meeting was tentatively scheduled for Tuesday, May 4, 2010 at the DNR Science Operations Center (2801 Progress Road, Madison).